

JOINT SETTLEMENT TESTIMONY OF
PAUL FLEURY and GRANT REEVES
ON BEHALF OF
SC SOLAR BUSINESS ALLIANCE, LLC
DOCKET NO. 2014-246-E

Q. MR. FLEURY, PLEASE STATE YOUR NAME, BUSINESS AND ADDRESS.

A. My name is Paul Fleury. I am co-owner of Sustainable Energy Solutions, LLC. (SES) My business address is 804 Meeting Street in Charleston.

Q. PLEASE BRIEFLY DESCRIBE SUSTAINABLE ENERGY SOLUTIONS.

A. At SES, we design and install high performance, affordable, maintenance-free solar energy systems that provide a lifetime of clean energy for homeowners, businesses, government facilities and project developers across the Southeast. SES offers turnkey engineering, procurement and construction services including initial site consultation and evaluation, design and installation, project consultation, project development and financing and materials procurement and commissioning.

Q. PLEASE EXPLAIN YOUR EDUCATION AND EXPERIENCE.

A. I grew up on the eastern shore of Maryland and, after graduating from the University of Georgia's Terry College of Business, moved to Charleston in 2005. It was around that time that I discovered my passion for solar energy. So, in 2008, after spending a few years as national account manager for an automotive chemical manufacturer, I turned my entire professional focus to solar and started SES with my friend and business partner Greg White. In the past six years, we've designed and

1 installed up and down the South Carolina coast and throughout the Southeast and in
2 Maryland. We have worked write federally funded grants, achieved awards for military
3 contracts with nationally recognized contractors and provided solar to homeowners, small
4 businesses and non-profit organizations. SES is a member of the South Carolina Solar
5 Alliance, and I am now Board Chair. SES is also a member of the South Carolina Solar
6 Council, the South Carolina chapter of the American Solar Energy Society, and I actively
7 participate in that organization.

8 **Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE THE SOUTH**
9 **CAROLINA PUBIC SERVICE COMMISSION (COMMISSION)?**

10 A. No, I have not testified before the Commission previously.

11 **Q. MR. REEVES, PLEASE STATE YOUR NAME, BUSINESS AND ADDRESS.**

12 A. My name is Grant Reeves. I am Senior Vice President with The InterTech Group,
13 Inc., (Intertech) and my business address is 4838 Jenkins Avenue, North Charleston.

14 **Q. PLEASE STATE BRIEFLY YOUR EDUCATION AND EXPERIENCE.**

15 A. Like Paul, I graduated from the Terry Business School of the University of Georgia
16 in 1978. I have more than twenty 20 years of merger and acquisition, corporate finance
17 and strategic planning experience and have served as a corporate vice president of The
18 InterTech Group, Inc. since 1990. InterTech is a diversified global company with wholly
19 owned operations and investments in multiple industry sectors, including aerospace,
20 specialty chemicals, sports and entertainment, finance, real estate and public capital
21 markets. Over the last few years, InerTech has delved into solar energy in a few different
22 ways. First, we have a rooftop solar array on our corporate office in North Charleston.
23 Second, we partnered with SCE&G to put a 114 kilowatt solar array on the roof of the

1 Carolina Ice Palace in North Charleston, which InterTech owns. With that system, we
2 supply about fifteen percent of the facility's total demand, including that used to make
3 ice, which is pretty neat when you consider that we are using the sun to freeze, not melt,
4 water. And, most importantly, in 2013, InterTech formed Liberty Sun Energy I, LLC to
5 develop solar energy projects in South Carolina and, partnering with Alder Energy,
6 Gregory Electric and Santee Cooper, we built and began operations at the state's largest
7 solar farm. That system is in Colleton County and is rated to 3 megawatts. With these
8 three installations, I gained personal and professional experience in the economics and
9 engineering of multiple size systems - general office, commercial and utility scale. And,
10 as we move into 2015, InterTech plans to continue our South Carolina solar development.
11 In fact, we have already submitted bids for the announced SCE&G projects in the
12 Midlands and Lowcountry and look forward to many more opportunities once this
13 Settlement Agreement is approved.

14 **Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE THE SOUTH**
15 **CAROLINA PUBLIC SERVICE COMMISSION?**

16 A. No, I have not previously testified before the Commission. However, I was
17 privileged to appear before the Commission on April 16, 2014, at the invitation of the
18 South Carolina Office of Regulatory Staff (ORS) for an Allowable Ex Parte Briefing to
19 Discuss the Potential for Solar in South Carolina.

20 **Q. ON WHOSE BEHALF ARE YOU JOINTLY TESTIFYING IN THIS**
21 **PROCEEDING?**

1 A. We are testifying on behalf of the South Carolina Solar Business Alliance (SCSBA)
2 of which we are both on the Board of Directors, having just transitioned the role of Chair
3 from one to the other.

4 **Q. PLEASE BRIEFLY DESCRIBE THAT ORGANIZATION?**

5 A. SCSBA is organized for the purpose of promoting and advocating public policy
6 measures supportive of solar power generation in our state. We are a limited liability
7 corporation (LLC) organized October 21, 2009, pursuant to Chapter 44 of Title 33 of the
8 South Carolina Code of Laws and, since that date, remain in good standing with the
9 South Carolina Secretary of State.

10 **Q. WHO ARE THE PRIMARY DECISION MAKERS FOR SCSBA?**

11 A. SCSBA is a manager-managed LLC whose current managers include the two of us
12 along with Andrew Streit with SolBright Renewable Energy, LLC; Don Zimmerman with
13 Alder Energy Systems, LLC; Bruce Wood with Sunstore Solar, LLC; and Dave McNeil
14 with Hannah Solar Government Services, LLC. All of us conduct solar energy related
15 business in South Carolina.

16 **Q. PLEASE DESCRIBE SCSBA'S MEMBERSHIP.**

17 A. SCSBA's Trade Members represent solar energy companies and professional
18 service firms engaged in the business of solar generation in this state and around the
19 world. In fact, when we filed our Petition to Intervene in this proceeding, SCSBA had
20 twenty eight (28) Trade Members. Today, we have thirty five (35). This twenty five (25)
21 percent growth in SCSBA's membership in just over four months is a direct reflection on
22 the national and statewide solar business attention that is being paid to South Carolina.
23 While some of these companies are headquartered outside the state, they are nevertheless

1 eager to develop business inside our state and, all day every day, that means economic
2 impact that benefits us right here in the Palmetto State. Today, our membership includes:

- 3 - Advanced Energy Industries, Inc. – Fort Collins, CO;
- 4 - Alder Energy Systems, LLC - Charleston, SC;
- 5 - Canadian Solar, Inc. – Toronto, Canada;
- 6 - Carolina Solar Energy II, LLC – Durham, NC;
- 7 - Cantsink – Lilburn, GA;
- 8 - CohnReznick, LLP – Atlanta, GA;
- 9 - Eaton Corporation – Columbia, SC;
- 10 - Engineering Consulting Services – Wilmington, NC;
- 11 - Entropy Solar Integrator – Charlotte & Chapel Hill, NC;
- 12 - FirstWind – Boston, MA;
- 13 - Gregory Electric – Columbia, SC;
- 14 - FLS Energy - Asheville, NC;
- 15 - Hannah Solar Government Services, LLC – Charleston, SC;
- 16 - Hardstone Development, LLC – Greenville, SC;
- 17 - Hecate Energy, LLC – Nashville, TN;
- 18 - iSolarize – Mount Pleasant, SC;
- 19 - McAngus Goudelock and Courier, LLC – Columbia, SC;
- 20 - Narenco – Charlotte, NC;
- 21 - O’Neal Engineering – Greenville, SC;
- 22 - PowerSecure, Inc. – Greenville, SC;
- 23 - Shealy Electrical Wholesalers, Inc. – Columbia, SC;

- SolAmerica Energy, LLC – Atlanta, GA & Charlotte, NC;
- SolarCollab, LLC – Mount Pleasant, SC;
- SolarMax - Biel/Bienne, Switzerland;
- SolBright Renewable Energy, LLC - Charleston, SC;
- SolBridge Energy, LLC – Daniel Island, SC;
- Solectria Renewables, LLC – Lawrence, MA;
- Southeast Energy Resources, LLC – Charleston, SC;
- Strata Solar – Chapel Hill, NC;
- SunEdison – St. Peters, MO;
- Sunstor, LLC d/b/a Sunstore Solar – Greer and Mount Pleasant, SC;
- Sustainable Energy Solutions, LLC – Charleston, SC;
- TIG Sun Energy I and II, LLC - North Charleston, SC;
- Turner Padgett Graham and Laney, PA – Columbia, SC and
- Willis Group Holdings – New York, NY.

Q. WHAT IS THE PURPOSE OF YOUR JOINT TESTIMONY ON BEHALF OF SCSBA?

A. We are testifying in support of the settlement facilitated by ORS and agreed to by almost every Party to or Intervenor in this Docket, most importantly the utilities. SCSBA participated in the collaborative group that developed the language that became Act 236, and our members believe Act 236 together with this Settlement Agreement position South Carolina to prudently make gains in solar while protecting the interests of the rate-paying, consuming public.

Q. PLEASE EXPLAIN WHY YOU SUPPORT THIS SETTLEMENT.

1 A. From the beginning of the collaborative discussions that led to Act 236, SCSBA has
2 been supportive of almost any change in the current regulatory environment that would
3 create more solar business activity in South Carolina. The overwhelming majority of
4 SCSBA's Trade Members routinely complete projects outside South Carolina and know
5 first-hand the positive financial impact these projects have on the local and state
6 economies where they are located, from job creation to tax revenue to the professional
7 services purchased for permitting. SCSBA's members have for years wanted these same
8 project opportunities closer to home, here in South Carolina. While Act 236 opened the
9 possibility for solar growth in South Carolina, this Settlement Agreement ensures that
10 growth will be a reality as early as the first quarter of 2015. Without the comprehensive
11 and compromising work of many people over many hours to forge this path, South
12 Carolina solar growth could be stalled well beyond 2015. So, in the spirit of compromise
13 and collaboration, the parties to this Settlement Agreement propose a methodology that,
14 for early South Carolina solar adopters, keeps net metering where it is through 2025.
15 This ten year period of rate certainty is critical to any solar investment payback analysis
16 and, without it, customers are less likely to invest, meaning solar is less likely to be
17 developed. Yet, this proposed methodology will determine a value of solar consistent
18 with the requirements of Act 236 and account for the difference between retail rates and
19 the value of solar through a utility's Distributed Energy Resources (DER) program. For
20 SCSBA, another critical aspect of compromise is the requirement that the utilities file
21 their DER programs applications with the Commission within sixty (60) days of the
22 Settlement Agreement. For most SCSBA members, it is within the DER programs that
23 the most opportunity exists because the DER programs will outline how each utility

1 intends to achieve their targets within the commercial and utility scale space. During the
2 legislative process and the settlement negotiation process, SCSBA's goal has been to
3 open the state for business as soon as possible, with reasonable accommodations to policy
4 objectives. This Settlement Agreement does just that while cautiously and prudently
5 weighing customer cost.

6 **Q. WHAT IS YOUR RECOMMENDATION TO THE COMMISSION?**

7 **A.** We recommend that the Commission approve this Settlement Agreement.

8 **Q. DOES THIS CONCLUDE YOUR JOINT SETTLEMENT TESTIMONY?**

9 **A.** Yes.

10
11 **CERTIFICATE OF SERVICE**

12 I certify that all parties to this Docket listed in the Docket Management System of the
13 South Carolina Public Service Commission as of this date have been served this Joint
14 Settlement Testimony of Paul Fleury and Grant Reeves on Behalf of the South Carolina
15 Solar Business Alliance via electronic mail as has been agreed to by each.

16 Respectfully submitted this 11th day of December, 2014,

17 s/ Bonnie Loomis

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